

1508(k)(4) (as amended by section 1906(2)) is amended—

(1) in subparagraph (A), by striking “Except as provided in subparagraph (B)” and inserting “Except as otherwise provided in this paragraph”; and

(2) by adding at the end the following:

“(E) REIMBURSEMENT RATE REDUCTION.—For each of the 2009 and subsequent reinsurance years, the reimbursement rates for administrative and operating costs shall be 4.0 percentage points below the rates in effect as of the date of enactment of the Food and Energy Security Act of 2007 for all crop insurance policies used to define loss ratio, except that the reduction shall not apply in a reinsurance year to the total premium written in a State in which the State loss ratio is greater than 1.2.

“(F) REIMBURSEMENT RATE FOR AREA POLICIES AND PLANS OF INSURANCE.—Notwithstanding subparagraphs (A) through (E), for each of the 2009 and subsequent reinsurance years, the reimbursement rate for area policies and plans of insurance shall be 17 percent of the premium used to define loss ratio for that reinsurance year.”.

(c) FUNDING AND ADMINISTRATION.—Notwithstanding section 2401, section 1241(a) of the Food Security Act of 1985 (16 U.S.C. 3841(a)) is amended—

(1) in the matter preceding paragraph (1), by striking “2007” and inserting “2012”; and

(2) by striking paragraphs (3) through (7) and inserting the following:

“(3) The conservation security program under subchapter A of chapter 2, using \$2,317,000,000 to administer contracts entered into as of the day before the date of enactment of the Food and Energy Security Act of 2007, to remain available until expended.

“(4) The conservation stewardship program under subchapter B of chapter 6.

“(5) The farmland protection program under subchapter B of chapter 2, using, to the maximum extent practicable, \$110,000,000 for each of fiscal years 2008 through 2012.

“(6) The grassland reserve program under chapter C of chapter 2, using, to the maximum extent practicable, \$300,000,000 for the period of fiscal years 2008 through 2012.

“(7) The environmental quality incentives program under chapter 4, using, to the maximum extent practicable—

“(A) \$1,345,000,000 for fiscal year 2008;

“(B) \$1,350,000,000 for fiscal year 2009;

“(C) \$1,385,000,000 for fiscal year 2010; and

“(D) \$1,420,000,000 for each of fiscal years 2011 and 2012.”.

Mr. SCHUMER. Mr. President, I rise today to offer an amendment to Senator HARKIN's substitute amendment to the farm bill. I commend Chairman HARKIN, Senator CHAMBLISS, and all the members of the Agriculture Committee for their hard work during the drafting of this farm bill.

I particularly thank the committee for its commitment to making this bill the most fair in our country's history. The committee's farm bill includes all agricultural producers, not just growers of commodity crops. With new programs for specialty growers and expanded protections for dairy and livestock producers, this bill is truly a winner for all parts of the country.

I thank my colleague from Iowa once again, now that he is in the Chamber, for his great work and for being inclusive as he always is.

I am here this morning offering an amendment I believe builds on the spirit of the committee's bill. This amend-

ment increases funding for vital conservation programs that are important to all working farmers. It provides an additional \$480 million over 5 years to the Environmental Quality Incentives Program, EQIP; an additional \$65 million over 5 years to the Farmland Protection Program; and an additional \$60 million to the Grassland Reserve Program.

To offset these increased payments, the amendment makes small reductions in the Federal subsidies of crop insurance. It increases the cut in administration and operations payments to 4 percent, above the committee's 2 percent, and retains the important snap-back provision Senator ROBERTS introduced.

The amendment also raises the underwriting gain share to 12.5 percent. That is the level to which the House raised it.

Working farmers are the most important stewards of our natural resources. Farmers and ranchers own 70 percent of the land in the country. They deserve help from the Government preserving these resources because all Americans benefit from them.

I would also like to add, I am in full support of the amendment—I am a cosponsor, in fact, of the amendment—the Senator from Ohio, Mr. BROWN, has offered. This amendment is along the same lines, and I will not ask for a vote on it if his amendment succeeds because I think it is an outstanding amendment.

With that, I yield back the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SCHUMER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS

Mr. SCHUMER. Mr. President, I ask unanimous consent that the Senate now recess until 2:15 p.m.

There being no objection, the Senate, at 12:26 p.m., recessed until 2:15 p.m. and reassembled when called to order by the Presiding Officer (Mr. CARPER).

FARM, NUTRITION, AND BIOENERGY ACT OF 2007—Continued

The PRESIDING OFFICER. Who yields time?

The Senator from North Dakota is recognized.

Mr. CONRAD. Mr. President, how much time remains?

The PRESIDING OFFICER. There is 41 minutes on the Republican side and 84 minutes on the majority side.

Mr. CONRAD. I wish to be alerted by the Chair when I have consumed 10 minutes.

The PRESIDING OFFICER. The Chair will be happy to do that.

Mr. CONRAD. Mr. President, I want to respond to the proposal by Senator LUGAR and Senator LAUTENBERG to substitute the Food and Energy Security Act of 2007 with the so-called FRESH Act.

Senator LUGAR and Senator LAUTENBERG are senior Members of this body, very much respected by Members on both sides. I have enormous respect and admiration, and I even have affection for both of them. But I must say, when it comes to farm policy, we have a stark disagreement. Senator LUGAR believes we would be better off if we simply disposed of the current farm safety net in favor of a revenue program with no price floor. Savings would be invested in conservation, nutrition, and specialty crop agriculture. I believe those are good priorities, in terms of where the money would go, but I remind Members of the Senate that the work of the committee—by the way, the bill came out of committee without a single dissenting vote. It is true we didn't have a rollcall, so I don't know how members might have expressed themselves, but nobody asked for a rollcall or asked to be recorded in the negative.

The fact is we increased each of those areas that is addressed in the FRESH Act. We increased conservation over the baseline by \$4.5 billion. We increased nutrition by \$5.3 billion over the baseline. We increased specialty crop resources by \$2.5 billion. Those are all very large increases. The biggest percentage increase went for conservation.

When it comes to investing in the things Senators LUGAR and LAUTENBERG care about, the committee did a good job. So if this is not about investments in those areas, what is the real difference? I don't think this bill is about resources for other areas; I think it is largely about finding a way to gut existing commodity programs.

I have heard statements in support of the FRESH Act that amount to broadsides against existing policy. So let me respond to some of the arguments we have heard from the other side. Let's examine the attacks on the distribution of farm program benefits.

The critics say only 43 percent of all farms received payments. The critics say that 57 percent of farms unfairly operate without a safety net. The critics say the largest 8 percent of all farms receive 58 percent of the farm program benefits. All of those statements have some element of truth, but they don't tell the whole story. They don't come close to telling the whole story. In fact, taken alone, I think they completely misrepresent the reality of the farm program. Let's look at each of these claims in turn.

According to the Economic Research Service, farming operations receiving no Government payments had an average household income of over \$77,000 per year. But the farm income portion of that was only \$1,000. So when the assertion is made that almost half of the